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NOTICE IS HEREBY GIVEN THAT in pursuance of the Trust Agreement dated December 1, 1881, by and between the Chicago, Burlington & Quincy Railroad Company and The New England Trust Company, the following Denver Extension Four Per Cent. Bonds due February 1, 1922, of said Railroad Company, issued under said trust agreement, have been drawn for payment.

One hundred sixty-two (162) bonds for \$1,000 each, numbers

84 1872 1915 2984 3222 4831 6139 7208 7209
70 1833 1903 3004 3574 5032 6145 7117

72 1124 2024 3062 4159 5029 6227 7207

228 1155 2088 3109 4174 5268 6305 7211

260 1180 2335 3192 4191 5287 6364 7202

262 1184 2243 3194 4208 5288 6387 7201

267 1181 2227 3207 4205 5247 6415 7206

268 1624 2668 3652 4621 5564 6712 7341

270 1624 2668 3652 4621 5564 6712 7341

272 1809 2719 3779 4646 6108 6995 7222

276 1810 2824 3795 4667 6111 7027 7788

284 1849 2859 3814 4712 6133 7184 7892

286 1851 2859 3814 4712 6133 7184 7892

and 373 (32), bonds for \$100 each, numbers

883 0380 0531 0676 01837 01232 01672 01782

0138 0294 0579 0905 01100 01240 01737 01783

0142 0440 0648 0912 01124 01500 01731 01803

0288 0458 0840 0970 01128 01547 01784 01814

The bonds bearing the above numbers will be purchased at par by the payment of the principal sum thereof, on presentation and delivery of the same to the undersigned trustee, at its office, 125 Devonshire Street, on or before the 31st of February, 1917, from which date interest on said bonds will cease in conformity with the terms of the trust agreement.

The New England Trust Company

TRUSTEE,

Boston, Mass., January 26, 1917.

Clear View on Short Selling Given in Speech Recently by Otto H. Kahn.

THE INQUIRY INTO "LEAK"

Railroad Stocks Continue Torpid in Spite of the Earnings Showings.

A week ago it was pointed out that one reason for the wholesome conservatism prevailing among men who often deal heavily in securities and men heavily interested in big corporate affairs was the recrudescence of the spirit of investigation, always begot by property and exemplified in this instance by the investigation of the New York Stock Exchange. On account of it, it was then said, many men of means were keeping their money in hand.

The course of the stock market last week fully supported the assertion. Most men of means kept their money out of it. Activity decreased until there was little left except professional trading out of contracts for the exhausted bulk of last year and the year before. The covering of short contracts supplied quite as much support as anything else.

Stock Exchange Inaptitude.

Many of the prominent members of the Stock Exchange were independent of the business of the exchange, that is, the testimony of their officers before the Henry committee was inadequate. To their minds the situation was much the same as in the investigation by the Pujo committee, but with this difference, that the officers of the exchange should have learned more of the evolution and theory of markets meanwhile.

The souls of these critical Stock Exchange men were not so deeply steeped in disgust as when a former president of the exchange, testifying before the Pujo committee, said that the transaction of the exchange was "not right" so long as the full commission was paid, and aroused raucous laughter among all of us who had been tempted by the superciliousness of the governors to taunt the "sacred eighth." At the same time there was disappointment over the testimony last week on the fact that the explanation of short selling was not clear and incisive as it well can be.

A Clear Note Sounded.

By happy contrast or at least by fortunate coincidence with these Stock Exchange happenings, Otto H. Kahn had been invited to speak before the Association of Industrial Proprietors a couple of days after the Stock Exchange officers had given their testimony about short selling. What Mr. Kahn said they may well remember when called to the witness stand again and all others may well bear in mind when the propriety of short selling is questioned, as follows:

"There were not people born who sold short they would almost have to be invented. Short selling has a legitimate place in the scheme of things economic. It acts as a check on undue optimism. It tends to control the danger of an over-heated market. It supplies a sustaining force in a heavily declining market in times of unexpected shock or panic. It is a valuable element in preventing extremes of advance or decline."

The practice of short selling has been sanctioned by economists from the first Napoleon's Minister of Finance to Horace White of our day. While laws have at various times been enacted to prohibit that operation it is a noteworthy fact that in every instance I know of these laws have been violated before a short experience of their effects.

"I am informed on good authority that there is no short selling on nowadays fairly important stock exchanges, that of Tokyo, Japan, and Whitechapel, London. Whether or not this can be known in Tokyo the stock exchange there was thrown into such panic that it had to close its doors. It attempted to reopen a couple of days later, but after a short while of trading was compelled to suspend. Assuming the information to be correct, you have here an illuminating instance of cause and effect."

"Short selling does become a wrong only when and to the extent that the methods and intent of the short seller become so vicious that they become a threat to the market when it degenerates into avarice and miserliness. Perhaps the Stock Exchange authorities are not always alert enough and thorough enough in running down and punishing unscrupulous workers of values and predators of wealth. But there is altogether not enough energy and determination in dealing with the grave and dangerous evil of rumor mongering on the Stock Exchange and in brokers' offices, but even Congress, with all the power and almost unlimited power at its hands, does not always find it easy to hunt the wicked rumor mongers to his lair and subject him to adequate punishment."

Just Going Fishing.

Mr. Kahn undoubtedly saw or sensed just what appears from the circumstances to be the fact that this investigation, the most important in President Wilson's message is an old fashioned fishing expedition. First the committee wants all the accounts of customers. Legging them out that mere tabulation of these accounts would require more weeks than endures in the committee's life and learning moreover that the records of people in this country object to the breach of confidential relations, the committee modified its demands to that only accounts of a thousand shares are wanted and that some measure of protection is afforded to the individual who has told his broker to keep his business to himself and whose broker wants to keep the faith.

Obviously the idea is to detect some men of mark who have had big accounts and completely exploit them. The mere circumstances of the relations between broker and customer have been considered as violative as those between physician and patient and between lawyer and client has been thrown aside in the aversion for political publicity.

An Easy and Open Trail.

It would be popular for the committee to insist upon all the names on the books of brokers. The hundreds of thousands of people the committee who are in stocks might exert some political influence in their Congressional districts. But it is always popular to hold up the successful men in Wall Street to public scorn, contempt and indignation. The man who has made some money is always a fine target for the political eye.

If the Henry committee wanted to find out the facts about the leak on the Presidential proposition it could have been a simple and open trail. The "leak" was printed in the bulletins of Dow, Jones & Co., James H. H. the managing editor of that news service and of the *Wall Street Journal*, is a man who could not even prevaricate. He would tell them truly his source of information, provided always the committee

Continued on Ninth Page.

TRANSACTIONS FOR THE WEEK.

Railroad and Other Shares.

The following table gives, in addition to the sales for the past week and range of stocks on the New York Stock Exchange, their dividend yields calculated on the closing sale of bid prices on Friday night:

Div. Yield. Stocks. Sales. High. Low. Closing. Change. Highest. Lowest.

8.05 Louis Wiles 1 pf. 100 87 87 87 87 14 Jan 24 87 12 Jan 24 87 12

— Louis Wiles 2 pf. — — — — — Jan 8 55 Jan 8 55

5.63 Lorillard Tob. — — — — — Jan 19 232 Jan 19 232

— Lorillard Tob. pf. — — — — — Jan 19 120 Jan 19 120

5.65 Mackay Cos. 100 85 85 85 85 14 Jan 22 89 12 Jan 22 89

— Mackay Cos. pf. 100 67 67 67 67 14 Jan 5 67 Jan 5 67

5.42 Manhattan Beach. 100 12 12 12 12 14 Jan 25 12 Jan 25 12

5.33 Manhattan Shirt. 100 75 75 75 75 11 Jan 15 75 11 Jan 15 75

— Marine. 105400 351 29 30 -4% Jan 22 35 12 Jan 11 23

— Marine pf. 187700 924 84 85 -4% Jan 22 924 Jan 11 77

18.18 Maxwell Motor. 20000 604 534 55 -4 Jan 17 614 Jan 2 40

— Maxwell Motor. 300 734 73 73 -4 Jan 18 40 Jan 11 36

5.75 Maxwell M 1 pf. 100 316 316 316 316 14 Jan 19 65 Jan 8 60

6.71 May Dept Stores. 100 125 125 125 125 14 Jan 20 106 14 Jan 9 95

— May Dept Stores p. — — — — — Jan 20 114 Jan 11 120

5.6 Met Petroleum. 55200 104 104 104 104 104 14 Jan 20 106 14 Jan 9 95

— Met Petroleum pf. 400 96 95 95 95 14 Jan 20 96 Jan 7 94

14.31 Miami Copper. 10700 4214 407 42 42 + Jan 20 424 Jan 8 40

— Minn & St L new. 16600 32 26 32 + Jan 20 32 Jan 5 24

6.03 M. St P S M. — — — — — Jan 11 110 Jan 11 110

— Mo Kew Tex. 100 184 184 184 184 14 Jan 20 106 14 Jan 9 95

— Mo Pacific. 100 160 160 160 160 14 Jan 20 114 Jan 11 120

— Mo Pacific w. 763 33 33 33 -2% Jan 20 34 Jan 11 30

— Mo Pacific w. pf. 100 56 56 56 56 14 Jan 20 98 Jan 7 95

3.74 Montana Power. 9900 1094 102 107 +3% Jan 20 1094 Jan 18 99

— Montana Power. 100 114 114 114 114 14 Jan 20 106 14 Jan 9 95

— N O T E & T. 100 21 21 21 -1 Jan 20 22 Jan 2 20%

5.68 N Y Air Brake. 3000 150 145 145 145 14 Jan 20 155 Jan 11 155

— N Y Central. 100 100 100 100 100 14 Jan 20 100 Jan 11 100

5.64 N Y Central R. 100 94 94 94 94 14 Jan 20 94 Jan 11 95

— N Y Dock. 100 144 144 144 144 14 Jan 20 144 Jan 11 144

5.65 N Y Eliz. 100 100 100 100 100 14 Jan 20 100 Jan 11 100

— N Y H & H. 1800 448 438 438 438 14 Jan 20 448 Jan 11 448

— N Y Oat & West. 1600 28 27 27 27 14 Jan 20 28 Jan 11 28

— Norfolk South. 1100 1385 1345 1373 +3% Jan 20 1385 Jan 11 1325

— N O T E & T. 100 80 80